



## 1001027E Purchasing Terms and Conditions

### 1. Revision History

Rev.	Issued	Created By	Released By	Change Description
See previous revisions for detailed change log				
C	20-Dec-17	AZ	MW	<ol style="list-style-type: none"> <li>1. Clause 102, Item 7: Removed name of authorized vendor rep.</li> <li>2. Clause 107, Item 5: Removed name of authorized vendor rep.</li> <li>3. Clause 108, Item 6: Removed name of authorized vendor rep.</li> <li>4. Clause 109, Item 7: Removed name of authorized vendor rep.</li> <li>5. Sample CofC: Removed name of authorized vendor rep.</li> <li>6. Various: Corrected typos.</li> </ol>
D	21-Nov-19	BR	MW	<ol style="list-style-type: none"> <li>1. Section 2: Removed definition for Supplier (most references have been removed from clauses). Updated definition for Manufacturer. Added definition for Approval by a Competent Authority</li> <li>2. Minimized requirements in Certificate of Conformance, Material Certificate, and Surface Treatment Certificate clauses.</li> <li>3. Minor wording changes to Right of Access clause</li> <li>4. Reordered Clauses</li> <li>5. Re-worded Traceability, Inspection Records, and Manufacturer and Intermediate Supplier Certificate of Conformance clauses.</li> <li>6. Updated example certificate of conformance. Added example material and surface treatment certificate.</li> </ol>
E	29-Jun-20	RW	MW	<ol style="list-style-type: none"> <li>1. Reworded clause 105 3).</li> <li>2. Reworded clause 106 3).</li> <li>3. Created clause 107.</li> </ol>

### 2. Definitions

- Certificate of Conformance (CofC) - a document certified by an authorized company representative that affirms the supplied good or service meets the required specifications. Also called certificate of compliance or certificate of conformity.
- Vendor – a source that supplies goods or services to Planetary Systems Corp (PSC).
- Manufacturer – a source that manufactures goods from raw materials.
- Approval (of a certification) by a Competent Authority – Approval can be granted in the form of a signature, digital signature, type-written signature, stamp, or a statement of conformance on official letterhead. A Competent Authority is a person or organization that has the legally delegated or invested authority, capacity, or power to approve the certification.

### 3. Table of Clauses

Clause No.	Clause Name	Clause Description
101	Non-Conformance Alerting and Approval	<p>Any non-conformance to PO/contract shall be reported to PSC within 2 business days and have PSC review and written approval before proceeding.</p> <p>Notification of non-conformances shall be communicated in writing and contain the following:</p> <ol style="list-style-type: none"> <li>1) PO number</li> <li>2) Part number including revision</li> <li>3) Quantity of affected parts. Affected parts shall be serially identified and segregated from any nominal parts.</li> <li>4) Affected feature, with identifier, and amount of deviation [e.g. .250 hole on sheet 2 zone B7 measures up to .256]</li> <li>5) Description of issue               <ol style="list-style-type: none"> <li>a. When the non-conformance occurred</li> <li>b. The confirmed or assumed cause of the non-conformance</li> </ol> </li> <li>6) Vendor's recommended course of action</li> <li>7) If applicable: Pictures of the non-conformance</li> </ol> <p>All parts with non-conformances shall be tagged or labeled to be easily identifiable. Specific non-conforming features shall be identified.</p>
102	Right of Access	<p>Work under this PO/contract is subject to government or PSC surveillance and or inspection at Vendor's facility. The Vendor will be contacted with reasonable notice if required.</p>
103	Acceptance at destination	<p>Work ordered under this PO/contract is subject to final acceptance at PSC's facility.</p>
104	Certificate of Conformance	<p>Vendor shall submit with each shipment a Certificate of Conformance certifying the supplied goods or services meet the required specifications.</p> <p>The Certificate of Conformance shall include the following:</p> <ol style="list-style-type: none"> <li>1) Approval by a Competent Authority</li> <li>2) Company Name</li> <li>3) Traceability to the goods or services via at least one of the following:               <ol style="list-style-type: none"> <li>a) PSC PO / contract number and line item (line item may be excluded on POs / contracts with a single line item)</li> <li>b) Part number including revision level</li> </ol> </li> </ol>

Clause No.	Clause Name	Clause Description
105	Material Certification Documents	<p>Vendor shall submit, with each shipment, material certification or test report documents which certify that the supplied material(s) meet the required specification(s).</p> <p>The certification(s) or test report(s) shall include the following information:</p> <ol style="list-style-type: none"> <li>1) Approval by a Competent Authority</li> <li>2) Company Name</li> <li>3) Traceability to material via lot, batch, PO, job number, or other unique identifier.</li> <li>4) Material specification (including heat treatments)</li> </ol>
106	Surface Treatment Certification Documents	<p>Vendor shall submit, with each shipment, surface treatment certification or test report documents certifying the surface treatment(s) meet the required specification(s). Surface treatment may also be called surface finish or plating.</p> <p>The certification(s) or test report(s) shall include the following information:</p> <ol style="list-style-type: none"> <li>1) Approval by a Competent Authority</li> <li>2) Company Name</li> <li>3) Traceability to surface treatment via lot, batch, PO, job number, or other unique identifier.</li> <li>4) Surface treatment specification</li> </ol>
107	Material and Manufacturing source(s)	<p>Items shall be manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured in the United States. Ref 41 U.S.C. § 8302(a)(1).</p>
201	Traceability	<p>Vendor shall maintain traceability for the items in the PO/contract for 4 years from date of PO/contract. Documentation will cover:</p> <ol style="list-style-type: none"> <li>1) Acquisition of materials or components</li> <li>2) All processes those materials undergo</li> <li>3) Shipment of materials or products</li> </ol>
202	Inspection Records	<p>Vendor shall maintain inspection records for the supplied goods or services for 4 years from date of PO/contract.</p>
203	Manufacturer and Intermediate Supplier Certificate of Conformance	<p>For all goods or services not manufactured by the Vendor, Vendor shall submit a copy of Manufacturer's Certificate of Conformance, and a copy of a Certificate of Conformance from every intermediate supplier.</p> <p>The Certificate(s) of Conformance shall include the following:</p> <ol style="list-style-type: none"> <li>1) Approval by a Competent Authority</li> <li>2) Company Name</li> <li>3) Traceability to the goods or services via part number or specification</li> </ol>

## 4. Sample Certificates

### 4.1 Certificate of Conformance

Company Name	Springfield Nuclear Power Plant
PO/contract number and line item	PO 1234, line item 5
Or	Or
Part Number including revision level	NAS1130-3C10
Statement of conformance	The supplied goods or services meet the required specifications.
Approval by a Competent Authority	<i>Homer Simpson</i>

### 4.2 Material Certificate

Company Name	Al's Aluminum
Material Lot, Batch, or Job Number	245977B3
Material Specification	6061-T651 per AMS 4027 and ASME SB 209/Rev2010
Approval by a Competent Authority	<i>Al McWhiggin</i>

### 4.3 Surface Treatment Certificate

Company Name	Finn's Finishes
Surface Treatment Lot, Batch, or Job Number	105859
Surface Treatment Specification	Electroless Nickel per ASTM B733-15 Class 4, 5%-9% P, .0005-.0007" thick, no masking
Approval by a Competent Authority	<i>Finn Mertens</i>